

Special Meeting
Monday, June 6, 2011
3:00 pm
Chowan County Public Safety Center
305 West Freemason Street

The Chowan County Board of Commissioners held a special meeting on Monday, June 6, 2011 at 3:00pm in the Chowan County Public Safety Center, 305 West Freemason Street Edenton NC. Present Chairman Eddy Goodwin, Vice Chairman Keith Nixon, Commissioners Ralph Cole, Jeff Smith and John Mitchener. Staff Present Finance Officer Lisa Jones; County Manager Paul Parker and Board Clerk Susanne Stallings. Commissioners Emmett Winborne and Ellis Lawrence were absent.

The Board met jointly with the Edenton-Chowan Schools Board of Education. Present were Ricky Browder, Gene Jordan, Jean Bunch, John Guard, Gil Burroughs, Win Dale. Staff present were Dr. Allen Smith, Emma Berry and Harriet Sawyer.

Chairman Eddy Goodwin called the joint meeting to order.

Dr. Smith provided information to the Board on low wealth counties and supplemental funding and additional information on correction of supplanting violations. He stated that the schools are facing a loss of \$1.8 million in federal monies. He stated that the amount for the 1st year violation was \$15,264 and 2nd year \$258,900 totaling \$274,164. He stated that the calculations are done 3 years in arrears. He stated there are two options one declare extraordinary circumstances (which he was told by the State, that waiver has never been granted) or make a back payment in lump sum for the years in question. He suggested that the county pay \$274,164 for both years and use the FY 2011-12 allocation as leverage to recoup the payment. He stated that the Board of Education would appropriate this from their fund balance for FY 2011-12 reducing the amount to be disbursed by the County for that fiscal year. He stated this information is normally provided to the schools in February but however this year it was provided late by the state.

Chairman Goodwin stated his concern with the wording "violation". He asked what assurance the County would have from DPI if they paid the monies.

Dr. Smith provided a letter to the Board dated June 3, 2011 from DPI stating that the schools would lose the monies if the county did not remedy the supplanting violation.

Commissioner Nixon noted the letter only addresses the \$15,264 figure.

Dr. Smith stated the problem for the next year would still be there. He stated that the county could chose to either pay back both in a lump sum or respond to 2008-09 now or double the payment in December for the next year.

Ms. Berry stated the DPI stated the \$15,264 would double in December.

Ms Jones noted her concern over the figures in the chart for the 2009-10 allocation. She stated that 2006-07 and 2007-08 include the special technology appropriation however the 2008-09 does not include \$100,000 appropriation.

Dr. Smith stated the figures are from the school audit and he would check into the amounts. Dr. Smith added that this remedy would not cost the county that if \$274,164 remedies 2008-09 and 2009-10 and the Board of Education would appropriate this from their fund balance for FY 2011-12 reducing the amount to be disbursed by the County for that fiscal year.

Commissioner Nixon stated that he discussed this with the County's Auditor and his concern was future budgets for the school. He stated that he felt the Board should do what is right however he did not want to have negative impact on the County's fund balance goal of 23%.

Dr. Smith stated another concern was the proposed lease between the County and COA regarding the move out date mentioned for the space occupied by the IT department and the goal set by the Board to vacate the County Office Building. He noted that he schools have requested monies for phone and it/technology move for Administrative offices.

The Board discussed the move and stated that additional decisions would be made by the Board at the 6:00pm meeting regarding the lease with COA.

Commissioner Nixon stated that originally his goal was to move Administrative offices into space already owned by the country, referring specifically to the space at COA campus currently occupied by the IT department but was informed by the schools that the space was not suitable for Administrative offices.

Commissioner Smith stated that he felt the Board's intention was to move the school offices at the school's earliest convenience.

Dr. Smith stated that \$47,400 was needed to move IT and \$41,328 is needed to the annual lease for the administrative offices move to Queen Street. He added that he felt the schools need a clear shared use agreement in place and that he felt the space at COA is still an option for the school's administration to relocate. He asked if the Board would amend the COA lease to clarify the intent to allow continued use of the IT building. He stated he would like to see the word "may" in the lease be changed to "will" for section 13 g of the proposed lease.

Board members Gil Burroughs, John Guard and Gene Jordan expressed their concerns over the language in the lease.

School Board member Browder stated his concern over the need for communication between the two boards especially during budget planning and stated he felt the last meeting of the Board of Commissioners was a fiasco.

Commissioner Nixon stated that he has requested information from the schools each budget cycle and has had to go to state websites to find the numbers and information he was seeking from the schools.

Mr. Browder stated that he is elected and responsible for the school budget and he does not ask the County for a line by line budget.

Commissioner Nixon stated that the General Statutes allow the County to request such information from the schools and he felt that the Board of Commissioners has the right to know what they are funding in their annual appropriation to the school.

The Board of Commissioners and School Board discussed the need for quarterly meetings between the two boards to continue open communication.

Being no further business before the Board, the meeting was adjourned.

Regular Meeting
Monday, June 6, 2011
6:00pm
Chowan County Public Safety Center
305 West Freemason Street

The Chowan County Board of Commissioners held their regular meeting on Monday, June 6, 2011 at 6:00pm in the Chowan County Public Safety Center, 305 West Freemason Street Edenton NC. Present Chairman Eddy Goodwin, Vice Chairman Keith Nixon, Commissioners Ellis Lawrence, Ralph Cole, Jeff Smith and John Mitchener. Staff Present Finance Officer Lisa Jones; County Manager Paul Parker and Board Clerk Susanne Stallings

Commissioner Emmett Winborne was absent.

Chairman Eddy Goodwin called the meeting to order and then led the group in the pledge he then provided the invocation.

Public Comment

Chairman Eddy Goodwin asked for public comment in accordance with NCGS 153A-52.1. There was none.

Consent Agenda

Chairman Goodwin then presented the consent agenda.

Tax Release and Collector's Report (attached)

Burden, B.	\$168.17	Vehicle Traded
Mover, C.	\$150.28	Military SITUS
Mover, C.	\$184.01	Military SITUS

Approval of Minutes

Approval of the minutes of the May 16, 2011 meeting.

Recommended Budget Amendments

BA-1011-074

3433	Emerg Mngmt	\$1,910	Increase in revenue from Emergency Management grant
4330	Emerg Mngmt	\$1,910	Increase emergency management expenses including salary & travel

(Corrects prior budget amendment BA-1011-061; revenue will reflect actual revenue received)

BA-1011-075

3414	Tax	\$15,000	Decrease revenue from tax overpayments (revenue overestimated)
4140	Tax	\$15,000	Decrease tax overpayment refunds

BA-1011-076

3416	Court Facility Fees	\$ 2,000	Decrease revenue from court facility fees received from Clerk of Superior Court (revenue overestimated)
4261	Courthouse	\$ 2,000	Decrease expense for equipment maintenance & repair for courthouse

BA-1011-077

3431	Sheriff Donations	\$ 4,000	Decrease revenue from sheriff donations received (revenue overestimated)
4317	Sheriff	\$ 4,000	Decrease expense for sheriff special expenses

BA-1011-078

3431	Sheriff	\$ 1,000	Decrease revenue from state drug seizures (revenue overestimated)
4317	Sheriff	\$ 1,000	Decrease expense for sheriff drug seizure expenses

BA-1011-079

3431	Sheriff	\$ 4,000	Decrease revenue from Sheriff Writ of Executions (revenue overestimated)
4316	Sheriff	\$ 4,000	Decrease expense to disburse Sheriff Writ of Executions

BA-1011-080

3431	Sheriff	\$ 1,200	Decrease revenue from Project Lifesaver (revenue overestimated)
4310	Sheriff	\$ 1,200	Decrease Project Lifesaver expenses

BA-1011-081

3433	Emerg Mngmt	\$ 2,520	Decrease revenue from NIMS Training Grant (grant expires 6/30/2011)
4331	Emerg Mngmt	\$ 2,520	Decrease NIMS Training Grant expenses

BA-1011-082

3436	Central Communications	\$72,655	Decrease revenue from COPS Technology Grant (grant to be carried over to FY 11-12)
4270	Central Communications	\$72,655	Decrease COPS Technology Grant equipment expenses

BA-1011-083

3471	Sanitation	\$ 2,500	Decrease revenue from health septic fees received (revenue overestimated)
4710	Sanitation	\$ 2,500	Decrease expense to disburse health septic fees to ARHS

BA-1011-084

Fund 22	Water Develop	\$35,000	Decrease revenue from Water Development fees (revenue overestimated)
Fund 22	Water Develop	\$35,000	Decrease contribution to reserve for the Water Development Fund

BA-1011-085

Fund 61	Water	\$25,000	Decrease revenue from taps & connection fees (revenue overestimated)
Fund 61	Water	\$25,000	Decrease contribution to reserve for the Water Fund

BA-1011-086

3616	Sr Center	\$ 400	Increase revenue from Senior Center donations received for building improvements
4268	Sr Center	\$ 400	Increase expense for Senior Center building improvements

Recommended Budget Transfers:

BT-1011-017

8200	Central Svcs	\$ 1,769	Decrease retiree health insurance
4268	Sr. Center	\$ 936	Increase health insurance
4730	Soil Cons	\$ 833	Increase health insurance

Fireworks Display Permission

As required annually by statute, a request for permission is submitted for Atlanta Pyrotechnics International, Inc. to provide the fireworks display sponsored by the Chowan-Edenton Optimist Club on July 4, 2011. [NCGS § 14-410 & §14-413]. Attached is the certificate of liability insurance, fireworks display permit and operators licenses.

Chairman Goodwin asked Chief Westbrook with the Edenton Fire Department if there were any issues with the company or the application.

Chief Westbrook stated the company is reputable and has provided the display in the past.

Being no additions or corrections to the consent agenda, Commissioner Cole moved that the Board approve the consent agenda as presented. Chairman Goodwin asked for all in favor, the motion passed (6-0).

Items for discussion from the May 2, 2011 Mtg

COA Lease

Chairman Goodwin stated the Board would now review and consider acceptance of the final draft lease with all revisions previously approved by the Board in March 2011. He stated this draft has been reviewed by the County Attorney John Morrison and COA's attorney John Leidy. Approval of the final draft will allow execution of the lease between Chowan County and the COA Board of Trustees.

Commissioner Nixon asked if the lease contained a description of the property to remain in possession of Chowan County (Recreation Department in gymnasium).

Dr. Kandi Deitemeyer president of COA stated this could be added with a drawing or description.

Chairman Goodwin stated that the school board has expressed concern over the section of the lease that described the occupancy of the space by the school IT department and the wording of "may" to "shall" with regards to the school entering into an MOA with COA if the space is occupied in 2013 and no other space has been determined for the school IT equipment and personnel.

Commissioner Mitchener stated that he was concerned with the potential deadline set by the lease and no guarantee for the school to continue to use the space after June 2013.

Commissioner Cole expressed the same concern for the school it department.

Commissioner Nixon moved that the Board accept the lease as presented with the amendment of an attachment “Exhibit A” that delineates the space occupied by the Recreation Department.

Chairman Goodwin asked for all in favor, the motion tied (3-3 Cole Mitchener and Lawrence).

(This item was discussed later in the meeting following an executive session of the Board, see below)

Board Appointments

Social Services Board

Chairman Goodwin stated that the DSS Board will have a vacancy effective June 30, 2011. The Board of Commissioners will begin accepting applications for the vacancy and consider appointment at the June 20, 2011 meeting.

Recreation Advisory Board

Chairman Goodwin stated that the Recreation Advisory Board met on Tuesday May 17, 2011 and reviewed applications to fill three vacancies on their committee. The Committee voted to recommend appointment of Travis Hardison, Nelson Spear and Kim White for the Board of Commissioners consideration.

Commissioner Cole moved that the Board accept the nominations as presented. Chairman Goodwin asked for all in favor, the motion passed (6-0).

Economic Improvement Council, Board of Directors

Chairman Goodwin stated that in April the Board received a recommendation from the EIC Council for the appointment of Diane Blount. He stated EIC has requested Ms. Blount’s appointment to be withdrawn as she is ineligible to serve. Chairman Goodwin stated the Council has verified residency and qualifications for Linwood Lewis and is recommending his appointment to the EIC Board of Directors to replace the seat previously held by Ms. Blount.

Commissioner Mitchener moved that the Board accept the nomination of Linwood Lewis. Chairman Goodwin asked for all in favor, the motion passed unanimously (6-0).

JCPC Council

Chairman Goodwin stated the JCPC Council has requested that a Commissioner be appointed to serve on their Council. He said this seat was previously held by former Commissioner Louis Belfield. He added that any Commissioner interested in serving on this Council should notify the Chairman.

COA Edenton-Chowan Campus Advisory Committee

Chairman Goodwin stated that currently there is a vacancy on this committee. He noted the Clerk has placed this notice for acceptance of applications on the County website. At this time there are no applications on file.

External Board/Committee Reports

Board members are asked to report on the activities of the external boards to which they have been appointed.

Chairman Goodwin stated that he, Vice Chairman Nixon, Commissioners Smith and Mitchener attended County Assembly Day as hosted by the North Carolina Association of County Commissioners. He stated that the counties met with their representatives as a group and urged them to not pass state budget cuts on to the counties as mandates.

Planning/Zoning Items

Ordinance Review

Planner Landin Holland stated that he and Chief Building Inspector Holly Colombo have reviewed the Code Enforcement Ordinances as requested by the Board. He stated that after his review the County Ordinances are in accordance with General Statutes.

Zoning Ordinance Amendment – Public Hearing

Planner Landin Holland presented a Text Amendment to the Chowan County Zoning Ordinance for Article V, Table 5-1, Article 8, and Article 15 (definitions) regarding the establishment of green energy facilities for solar and wind power generators within the A-1 Zoning District. He provided a staff report which is in the meeting file labeled June 6, 2011.

Commissioner Mitchener provided information on a story in the Daily Advance news paper regarding the concerns of crop duster pilots regarding windmills.

Mr. Holland stated he also works with Pasquotank and Perquimans Counties on this type of request and he would look further into it.

Commissioner Lawrence expressed his concerns over the regulatory controls for these types of projects.

Mr. Holland stated that several of the regulatory criteria are addressed with a Special Use Permit application for a structure. He stated that the language used in the proposed ordinance amendment was drafted and prepared by NC State University and other neighboring counties for their individual ordinances; he stated the language is a model developed by these entities.

Commissioner Nixon asked what the vote of the County Planning Board in recommendation of the amendment.

Mr. Holland stated the vote was unanimous of the Planning Board.

Commissioner Nixon stated he would like to do more research on such project.

Commissioner Smith moved that the Board open the floor for a public hearing. Chairman Goodwin asked for all in favor, the motion passed unanimously (6-0).

Chairman Goodwin asked for any public comment on the application. There was none. Commissioner Mitchener moved to close the public hearing. Chairman Goodwin asked for all in favor, the motion passed unanimously (6-0).

Commissioner Smith asked about the impact on individual applications and commercial use.

Mr. Holland stated there have been several inquiries and there is currently nothing in place in the ordinance for windmills, he stated that commercial use windmills and farms will require more in depth review and more permitting.

Commissioner Nixon stated his concern over the impact on neighboring properties and their values. He stated that he did not have a problem with solar uses however he would want more information from the county attorney on zoning and text amendments.

Commissioner Smith moved that the board approve the amendment as presented. Chairman Goodwin asked for all in favor, the motion passed (4-2 Nixon, Cole).

Road Name Request

Planner Landin Holland presented a request from Matthew Evans to name the un-named road at the intersection of Tip Toe Rd and Emperor Landing Road. Additionally Mr. Holland requested permission to allow the County Planning Board to work with staff to develop a policy addressing requests for road naming in the future. He stated the request is to rename the road "Evans-Smith". He stated the road is private dirt road and will not be added to DOT program. He stated the request came up when the landowner requested permission to place a home facing this road and the road is unnamed therefore would require the home to be parallel to the main road and not the unnamed dirt path. He stated a request for a variance could not be approved for such a request, therefore naming the road is a more appropriate avenue for determining which road the house should face.

Commissioner Nixon moved to approve the request for the road naming and to request that the County Planning Board begin working with staff to develop a policy for future road naming. Chairman Goodwin asked for all in favor, the motion passed (6-0).

Chairman Goodwin recessed the meeting for 10 minutes. Afterwards he called the meeting to order.

FY 2011-12 Budget

The Board will consider adoption of the FY 2011-12 Budget Ordinance pursuant to NCGS § 159-13.

Mr. Parker presented the budget ordinance with his budget message highlighting an explanation of County's goals fixed by the budget, an explanation of activities (services) anticipated by the

budget, any reasons for changes from the previous years, goals, programs and appropriation levels and finally changes in fiscal policy.(a copy is in the meeting file labeled June 6, 2011).

Commissioner Cole asked if any positions were RIF (Reduction in Force) in the budget.

Mr. Parker stated yes, these were found in savings and reduction in force (RIF). Savings is to come from the expiration of the Food Lion Shopping Center lease in November 2011 and the proposed closing of the County Office Building after moving the School Board and DSS. With this office consolidation there will be less maintenance and housekeeping responsibilities. Therefore less staff is needed. This is reflected in a reduced amount in the full time salary line item in maintenance, in the amount of \$60,000.

Commissioner Nixon asked about Solid Waste budget.

Ms. Jones stated the Board could adopt the budget as presented and it could be amended later if there is a change with the solid waste budget.

Commissioner Nixon stated he was thankful there was no tax increase included in the proposed budget he stated there were a few items of concern.

EMS Fund

He recommended \$100,000 be taken from the General Fund Contribution and put that money in contingency. He called on EMS Director Colin Ryan to speak on the proposal.

Mr. Ryan stated that he did have concern with \$100,000 coming out because some positions would be eliminated as a direct result thus impact could be in coverage.

Mr. Parker stated that previously the Board discussed increasing the proposed EMS revenues to \$1.4 and has Colin look for \$54,000 within his budget.

Chairman Goodwin asked Mr. Ryan if he has noticed an increase in revenues with the new collection company.

Mr. Ryan stated yes.

Commissioner Nixon asked if the difference of \$54,000 could be pulled from EMS fund balance to balance the budget.

Commissioner Nixon moved to amend Section 16 of the budget ordinance and put the \$100,000 contribution into the contingency line and allow the revenue of EMS to be increased and reduce EMS fund balance to balance the budget.

Chairman Goodwin asked for all in favor, the motion passed (6-0).

Animal Shelter

Commissioner Nixon stated his concern with the increase for hospitalization being placed on such a small department in the amount of \$2,400. He stated the budget could be amended in the future that he would want to discuss this with the other counties. He stated that of the \$8,000 for building repairs, he would like to see \$5,000 moved to operational expenses.

COA

Commissioner Nixon stated his concern over the appropriation of \$52,108 for security when the County is spending \$100,000 on capital. He stated he was uncomfortable with the expense.

Commissioner Nixon moved that the Board amend the budget for COA to leave line 4248-443 as contracted services/misc. (to re-label the name of the line). Chairman Goodwin asked for all in favor, the motion passed (6-0).

School Appropriation

Chairman Goodwin provided the public with the information that the Board was presented at the 3:00pm meeting with the Board of Education prior to the current meeting. He stated that the schools are facing a loss of \$1.8 million in federal monies. He stated that the amount for the 1st year violation was \$15,264 and 2nd year \$258,900 totaling \$274,164. He stated that the school superintendent has suggested that the county pay \$274,164 for both years and use the FY 2011-12 allocation as leverage to recoup the payment. He stated that the Board of Education would appropriate this from their fund balance for FY 2011-12 reducing the amount to be disbursed by the County for that fiscal year. He added that the Board was informed that this information is normally provided to the schools in February but however this year it was provided late by the state.

Commissioner Nixon stated that he would prefer to have a budget amendment for the current year to find some of the monies and increase the FY 2011-12 appropriation by \$180,000. He stated the Board would need to locate the \$180,000 in the proposed budget.

Maintenance

Commissioner Smith moved that the Board reduce central maintenance by an additional \$30,000 and allow the manager to locate its source.

Chairman Goodwin asked for all in favor, the motion passed unanimously (6-0).

Ag Extension

Commissioner Smith moved that the Board decrease Ag Extension by \$22,000 for a full-time 4-H program assistant position which is currently vacant.

Chairman Goodwin asked for all in favor, the motion passed unanimously (6-0).

Sheriff

Commissioner Smith moved to reduce \$132,000 from the budgets managed by the Sheriff (Sheriff, Jail, and Central Communications).

Sheriff Goodwin stated that he could negotiate some contracts and do the best he can to find that amount of reduction.

Commissioner Cole asked the sheriff if he could find this reduction and still provide adequate public safety.

Sheriff Goodwin stated he would look closely at his budget, negotiate contracts and do his very best.

Commissioner Smith commended the Sheriff on his willingness to work with the Board.

Chairman Goodwin asked for all in favor, the motion passed unanimously (6-0).

School

Commissioner Nixon moved that the Board increase the appropriation to the school in the amount of \$184,000.

Chairman Goodwin asked for all in favor, the motion passed unanimously (6-0).

Commissioner Smith moved that the Board approve the budget ordinance as amended.

Chairman Goodwin asked for public comment.

Salina Long, 134 n Hwy 45 Merry Hill, NC stated she was one of the employees to be RIF in the Maintenance Department, she stated her concerns of the fairness in her losing her job.

Mr. Parker stated that the employees impacted by the RIF would be allowed the opportunity to appeal the decision.

Audrey Warren, 422 Burnt Mill Rd. Edenton stated her desire to keep her job and stated she was also scheduled to lose her job under the proposed RIF.

Donald Wheeler, 1039 Macedonia Rd stated that he was acting Maintenance Director and expressed his concern over the RIF of the personnel in his department. He stated how difficult it was to notify the two housekeepers that they were going to lose their jobs. He added that the RIF would put additional strain on an already small department.

Being no further public comment or questions Chairman Goodwin asked for all in favor of the motion on the floor. The motion passed unanimously (6-0).

Finance Officer Report

Finance Officer Lisa Jones stated she will provide the Cash Balance Summary and Cash and Investment Balance information for the month of April and May at the June 20, 2011 meeting.

Manager Items

County Manager Paul Parker provided an update to the Board on the following items:

- **DSS Relocation Cost Estimates/ Design**

Mr. Parker stated that he plans to go to local firms to see if they are interested in designing a project for the move he stated he wants another estimate for the move. He stated he would report more information at the June 20, 2011 meeting.

Chairman Goodwin stated that he would authorize the manager to see additional bids for design of the project.

- **RiverSound Development**

Mr. Parker stated that the County Attorney has advised that this matter will be discussed in a future executive session.

- **Bennett's Mill Pond**

Mr. Parker shared photos of the completed repairs made at Bennett's Millpond. The pictures are in the meeting file (June 6, 2011).

Timely and Important Matters

Health Department

Commissioner Nixon asked about the status of the health department move.

Mr. Parker stated that Mr. Parks has provided an estimate of \$300,000 for the move however he stated that Mr. Parks feels the cost could be cut in half. He stated the County has budgeted \$42,000 and that he could hire a contractor to do the work, however the Health Department has and owns the design drawings.

Schools

Commissioner Nixon proposed a budget amendment/transfer in the amount of \$274,164 for the current fiscal year.

Ms. Jones stated that there are increased revenues and savings within departments that could cover this amendment.

Commissioner Nixon moved that the Board approve a budget amendment and transfer to increase the current expense for FY 2010-11 in the amount of \$274,164 and request that the schools provide a letter to approve a decrease in the FY 2011-12 appropriation.

BUDGET AMENDMENT # BA-1011-087 and BUDGET TRANSFER BT-1011-018

Chairman Goodwin asked for all in favor, the motion passed (6-0).

Commissioner Nixon moved that the Board enter into an executive session in accordance with NCGS 143-318.11 (5).

Chairman Goodwin asked for all in favor, the motion passed unanimously (6-0).

Commissioner Lawrence left the meeting.

Executive Session

The minutes of the executive session are sealed.

Commissioner Nixon moved to close the executive session. Chairman Goodwin asked for all in favor, the motion passed unanimously (5-0).

COA

The Board returned to the meeting room.

Commissioner Nixon moved that the Board approve the proposed COA lease and attach an Exhibit A which reserves the space for the Recreation Department for future use and allow the Manager and Chairman to approve the Exhibit A and sign and execute the lease.

Chairman Goodwin asked for all in favor, the motion passed (4-1 Mitchener).

Being no further business before the Board, the meeting was adjourned.

Chairman
Edward C. Goodwin

Clerk